

Company registration number: 04533319

**ANNUAL REPORT AND FINANCIAL
STATEMENTS**

**FOR THE YEAR ENDED
30 SEPTEMBER 2020**

SYMETRICA LIMITED



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SYMETRICA LIMITED

COMPANY INFORMATION

Directors	I P Dale-Staples H L Davies (resigned 24 June 2021) P R Davies A M H Hook Dr D J Price Dr D Ramsden Dr J Zangardi (appointed 1 September 2020) Parkwalk Advisors LTD E F Zanin (appointed 24 June 2021)
Company secretary	M W Prater
Registered number	04533319
Registered office	Roman House 39 Botley Road North Baddesley Southampton England SO52 9AE
Independent auditors	Menzies LLP Chartered Accountants & Statutory Auditor 3000a Parkway Whiteley Hampshire PO15 7FX
Bankers	Barclays Bank Plc 1 Churchill Place London E14 5HP
Solicitors	Moore Barlow LLP Gateway House Tollgate Chandlers Ford Southampton SO53 3TG

SYMETRICA LIMITED

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SYMETRICA LIMITED

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2020

Introduction

Symetrica Limited ('Symetrica') is a leading independent supplier of radiation detection and security monitoring systems in the global security market. Its customers include nuclear energy providers, governments, and emergency services organisations. The U.S. and U.K governments are the largest consumers of Symetrica products and services. In the US, these include, the Department of Energy, the Department of Defence, the Department of Homeland Security, and local police forces and fire departments. Across the rest of the world these include, the UK Home Office, nuclear energy, port, customs authorities, as well as infrastructure and security organisations.

Business review

Symetrica has continued to invest heavily to further develop its range of radiation detection devices and monitoring software as well as expand into new geographical and end-user markets in order to diversify its customer base. The strategy provides a sustainable growth opportunity for the Company.

The Group recorded sales of £4.4m and a loss of £3.1m during the year. In the period, the loss was due in the large part to a delay in a large infrastructure contract. However, Symetrica has recently now won contracts with the US government with a combined value in excess of £37m. The directors are confident these wins will contribute to significantly improved financial results over the next two fiscal years and sustained growth beyond. This confidence is shared by the investors in the business, who have to date invested over £14m.

The Group remains committed to growth within the radiation nuclear (radnuc) detection market, leveraging its investment in IP and product technology for handhelds and border crossing portals. With respect to sales channel, the Group has positioned its direct brand within the market while still maintaining positive relationships with global OEM leaders in the detection market.

The Group has sufficient operational footprint between its UK and US sites in Southampton and Westford, Massachusetts to manage anticipated growth over the next two fiscal years. Investments in lean manufacturing and personnel will be required to optimise production output.

The Group's IP portfolio of 39 patents provides a competitive advantage for its radioactive isotope identification device (RIID) and radiation portal monitor (RPM) products in its most significant markets - UK and US.

Principal risks and uncertainties

Symetrica sells principally to governments, quasi-governments or their prime contractors and targets significant opportunities.

Selling to such organisations carries with it the risks of delay and uncertainty caused by long procurement cycles, changing budgetary and decision-making processes and competitive procurement processes. This can and often has resulted in uneven order intake and difficulty in forecasting.

Financial key performance indicators

As an SME management of cash is paramount. Sound cost control and strong margins ensured that free cash of £1.276m (2019: £1.174m) was held at the year end.

Other financial key performance indicators include:

	2020	2019
	£	£
Turnover	4,445,939	6,414,519
Loss after tax	(3,118,592)	(1,593,210)
Gross assets	7,566,013	6,076,904


SYMETRICA LIMITED

GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2020

Other key performance indicators

The current breadth of orders, across an increasingly comprehensive range of solutions and diversified customer base, is evidence of the progress Symetrica has made in reducing previous dependencies. This is demonstrated by Symetrica's own RIID, backpack, mobile and portal systems as well as development of advanced monitoring software. The Group has also made considerable strides establishing markets outside the United States. To this end it now is also selling to customers across Europe, the Middle East, South America and Asia.

This report was approved by the board and signed on its behalf.

DocuSigned by:

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E F Zanin
Director

Date: 28-Oct-2021

SYMETRICA LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2020

The directors present their report and the financial statements for the year ended 30 September 2020.

Directors' responsibilities statement

The directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The loss for the year, after taxation, amounted to £3,118,592 (2019 - loss £1,593,210).

Directors

The directors who served during the year were:

I P Dale-Staples
H L Davies (resigned 24 June 2021)
P R Davies
A M H Hook
Dr D J Price
Dr D Ramsden
Dr J Zangardi (appointed 1 September 2020)
Parkwalk Advisors LTD

Future developments

Please refer to the Strategic Report.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

SYMETRICA LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2020

Post balance sheet events

PPP Loan

Subsequent to year end, the Group was informed that its application for forgiveness of \$456,740 of the PPP Loan was approved. Accordingly, the Group will record it as forgiveness of debt during the year ended 30 September 2021.

Auditors

Under section 487(2) of the Companies Act 2006, Menzies LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

This report was approved by the board and signed on its behalf.

DocuSigned by:



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E F Zanin
Director

Date: 28-Oct-2021

SYMETRICA LIMITED

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SYMETRICA LIMITED

Opinion

We have audited the financial statements of Symetrica Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 30 September 2020, which comprise the Group Statement of Income and Retained Earnings, the Group and Company Statements of Financial Position, the Group Statement of Cash Flows, the Group and Company Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 30 September 2020 and of the Group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's or the parent Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

SYMETRICA LIMITED

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SYMETRICA LIMITED (CONTINUED)

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Group Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and the parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Group financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

SYMETRICA LIMITED


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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SYMETRICA LIMITED (CONTINUED)

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:


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James Hadfield FCA (Senior Statutory Auditor)

for and on behalf of
Menzies LLP

Chartered Accountants
Statutory Auditor

3000a Parkway
Whiteley
Hampshire
PO15 7FX
Date: 28-Oct-2021

SYMETRICA LIMITED

CONSOLIDATED STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE YEAR ENDED 30 SEPTEMBER 2020

	Note	2020 £	2019 £
Turnover	4	4,445,939	6,414,519
Cost of sales		(1,769,607)	(2,886,966)
Gross profit		2,676,332	3,527,553
Administrative expenses		(6,788,779)	(5,690,611)
Other operating income	5	117,191	107,314
Operating loss	6	(3,995,256)	(2,055,744)
Interest receivable and similar income	10	-	326
Loss before tax		(3,995,256)	(2,055,418)
Tax on loss	11	876,664	462,208
Loss after tax		(3,118,592)	(1,593,210)
Retained earnings at the beginning of the year		(5,624,377)	(4,031,167)
		(5,624,377)	(4,031,167)
Loss for the year attributable to the owners of the parent		(3,118,592)	(1,593,210)
Retained earnings at the end of the year		(8,742,969)	(5,624,377)
Non-controlling interest at the end of the year			

The notes on pages 16 to 37 form part of these financial statements.

SYMETRICA LIMITED
REGISTERED NUMBER:04533319


CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	12	2,988,615	2,192,070
Tangible assets	13	129,788	148,528
		<u>3,118,403</u>	<u>2,340,598</u>
Current assets			
Stocks	15	1,463,873	889,972
Debtors: amounts falling due within one year	16	1,707,332	1,672,650
Cash at bank and in hand		1,276,405	1,173,684
		<u>4,447,610</u>	<u>3,736,306</u>
Creditors: amounts falling due within one year	17	(1,511,199)	(1,423,380)
Net current assets		<u>2,936,411</u>	<u>2,312,926</u>
Total assets less current liabilities		<u>6,054,814</u>	<u>4,653,524</u>
Creditors: amounts falling due after more than one year	18	(239,135)	-
Net assets		<u>5,815,679</u>	<u>4,653,524</u>
Capital and reserves			
Called up share capital	21	675	552
Share premium account	22	14,333,973	10,197,592
Foreign exchange reserve	22	(14,000)	(45,243)
Share option reserve	22	238,000	125,000
Profit and loss account	22	(8,742,969)	(5,624,377)
Equity attributable to owners of the parent Company		<u>5,815,679</u>	<u>4,653,524</u>
		<u>5,815,679</u>	<u>4,653,524</u>

SYMETRICA LIMITED
REGISTERED NUMBER:04533319

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 30 SEPTEMBER 2020

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

DocuSigned by:

.....
E F Zanin
Director

Date: 28-Oct-2021

The notes on pages 16 to 37 form part of these financial statements.

SYMETRICA LIMITED
REGISTERED NUMBER:04533319

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2020

	Note	2020 £	2019 £
Fixed assets			
Investments	14	238,000	125,000
		<u>238,000</u>	<u>125,000</u>
Current assets			
Cash at bank and in hand		1,099,985	561,789
		<u>1,099,985</u>	<u>561,789</u>
Total assets less current liabilities		<u>1,337,985</u>	<u>686,789</u>
Net assets		<u><u>1,337,985</u></u>	<u><u>686,789</u></u>
Capital and reserves			
Called up share capital	21	675	552
Share premium account	22	14,333,973	10,197,592
Share option reserve	22	238,000	125,000
Profit and loss account brought forward		(9,636,355)	(6,550,426)
Loss for the year		(3,598,308)	(3,085,929)
		<u>(13,234,663)</u>	<u>(9,636,355)</u>
Profit and loss account carried forward		<u>1,337,985</u>	<u>686,789</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

DocuSigned by:

Eric Zanin

.....
E F Zanin
 Director

Date: 28-Oct-2021

The notes on pages 16 to 37 form part of these financial statements.

SYMETRICA LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 SEPTEMBER 2020

	Called up share capital	Share premium account	Foreign exchange reserve	Share option reserve	Profit and loss account	Total equity
	£	£	£	£	£	£
At 1 October 2018	-	7,124,592	(62,000)	50,000	(4,031,167)	3,081,425
Comprehensive income for the year						
Loss for the year	-	-	-	-	(1,593,210)	(1,593,210)
Currency translation	-	-	16,757	-	-	16,757
Total comprehensive income for the year	-	-	16,757	-	(1,593,210)	(1,576,453)
Shares issued during the year	552	3,073,000	-	-	-	3,073,552
Share based payments	-	-	-	75,000	-	75,000
At 1 October 2019	552	10,197,592	(45,243)	125,000	(5,624,377)	4,653,524
Comprehensive income for the year						
Loss for the year	-	-	-	-	(3,118,592)	(3,118,592)
Currency translation	-	-	31,243	-	-	31,243
Total comprehensive income for the year	-	-	31,243	-	(3,118,592)	(3,087,349)
Shares issued during the year	123	4,136,381	-	-	-	4,136,504
Share based payments	-	-	-	113,000	-	113,000
At 30 September 2020	675	14,333,973	(14,000)	238,000	(8,742,969)	5,815,679

The notes on pages 16 to 37 form part of these financial statements.

SYMETRICA LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 SEPTEMBER 2020

	Called up share capital £	Share premium account £	Share option reserve £	Profit and loss account £	Total equity £
At 1 October 2018	-	7,124,592	50,000	(6,550,426)	624,166
Comprehensive income for the year					
Loss for the year	-	-	-	(3,085,929)	(3,085,929)
Total comprehensive income for the year	-	-	-	(3,085,929)	(3,085,929)
Shares issued during the year	552	3,073,000	-	-	3,073,552
Share based payments	-	-	75,000	-	75,000
At 1 October 2019	552	10,197,592	125,000	(9,636,355)	686,789
Comprehensive income for the year					
Loss for the year	-	-	-	(3,598,308)	(3,598,308)
Total comprehensive income for the year	-	-	-	(3,598,308)	(3,598,308)
Shares issued during the year	123	4,136,381	-	-	4,136,504
Share based payments	-	-	113,000	-	113,000
At 30 September 2020	675	14,333,973	238,000	(13,234,663)	1,337,985

The notes on pages 16 to 37 form part of these financial statements.

SYMETRICA LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 SEPTEMBER 2020

	2020 £	2019 £
Cash flows from operating activities		
Loss for the financial year	(3,118,592)	(1,593,210)
Adjustments for:		
Amortisation of intangible assets	462,052	133,499
Depreciation of tangible assets	123,104	133,316
Government grants	(117,191)	-
Taxation charge	(876,664)	(462,208)
(Increase) in stocks	(573,901)	(159,349)
Decrease/(increase) in debtors	504,073	(498,754)
Increase in creditors	276,954	593,989
Corporation tax received/(paid)	456,021	(397,105)
Foreign exchange	31,243	(16,757)
Net cash generated from operating activities	(2,832,901)	(2,266,579)
Cash flows from investing activities		
Purchase of intangible fixed assets	(1,299,291)	(1,635,150)
Purchase of tangible fixed assets	(68,782)	(104,024)
Government grants received	117,191	-
Net cash from investing activities	(1,250,882)	(1,739,174)
Cash flows from financing activities		
Issue of ordinary shares	4,136,504	3,073,552
New secured loans	50,000	-
Net cash used in financing activities	4,186,504	3,073,552
Net increase/(decrease) in cash and cash equivalents	102,721	(932,201)
Cash and cash equivalents at beginning of year	1,173,684	2,105,885
Cash and cash equivalents at the end of year	1,276,405	1,173,684
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	1,276,405	1,173,684
	1,276,405	1,173,684

The notes on pages 16 to 37 form part of these financial statements.

SYMETRICA LIMITED

CONSOLIDATED ANALYSIS OF NET DEBT FOR THE YEAR ENDED 30 SEPTEMBER 2020

	At 1 October 2019 £	Cash flows £	At 30 September 2020 £
Cash at bank and in hand	1,173,684	102,721	1,276,405
Debt due after 1 year	-	(47,500)	(47,500)
Debt due within 1 year	-	(2,500)	(2,500)
	<u>1,173,684</u>	<u>52,721</u>	<u>1,226,405</u>

The notes on pages 16 to 37 form part of these financial statements.

SYMETRICA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

1. General information

Symetrica Limited is a private company limited by shares, registered in England and Wales. The address of its registered office is disclosed on the company information page.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Income and Retained Earnings in these financial statements.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of Financial Position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Income and Retained Earnings from the date on which control is obtained. They are deconsolidated from the date control ceases.

In accordance with the transitional exemption available in FRS 102, the group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 01 October 2015.

2.3 Going concern

The financial statements have been prepared on a going concern basis, notwithstanding the Group having made a net loss for the year of £3.1m. In considering the appropriateness of the going concern basis, the directors have prepared detailed forecasts for the year ahead, taking into account confirmed sales orders that have been received since the year end, together with forecast expenditure.

The going concern basis is dependent upon the substantial achievement of the Group's forecasts, including the completion of certain significant sales agreements. In recent months the Group has won a number of major contracts with a combined value in excess of £37m, and is well placed to secure further major contracts going forward. It should be further noted that the terms of one of these major contracts includes a significant advance cash payment.

Symetrica is backed by a number of institutional investors and has raised more than £14m to date. In light of its growing order book and pipeline of valuable and strategically important sales opportunities, management does not anticipate the need for an additional infusion of outside capital in the course of normal operations. However, should the need arise, assurances have been received from its lead investors that they will work with management to provide additional working capital. The directors believe the Group has adequate resources to continue its operational existence for the foreseeable future and therefore continues to adopt the going concern basis in preparing the annual report and accounts.

SYMETRICA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

2. Accounting policies (continued)

2.4 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Consolidated Statement of Income and Retained Earnings within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

SYMETRICA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

2. Accounting policies (continued)

2.5 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Group has transferred the significant risks and rewards of ownership to the buyer;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.6 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.7 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Consolidated Statement of Income and Retained Earnings in the same period as the related expenditure.

2.8 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.9 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

SYMETRICA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

2. Accounting policies (continued)

2.10 Pensions

Defined contribution pension plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Group in independently administered funds.

2.11 Share based payments

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each Statement of Financial Position date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the Group keeping the scheme open or the employee maintaining any contributions required by the scheme).

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Where equity instruments are granted to persons other than employees, profit or loss is charged with fair value of goods and services received.

SYMETRICA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

2. Accounting policies (continued)

2.12 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.13 Development costs

In the research phase of an internal project, it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. Development expenditure is assessed to have a useful economic life of 5 years, representing the period that the directors believe the assets will have use to the business.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only. Development costs are amortised once development is complete, amortisation on additions to development costs are therefore calculated at the end of the reporting year.

The estimated useful lives range as follows:

Development expenditure - 5 years straight line

2.14 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

SYMETRICA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

2. Accounting policies (continued)

2.14 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Long-term leasehold property	- 5 years
Plant and machinery	- 4 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.15 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.16 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.17 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.18 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.19 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

SYMETRICA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

2. Accounting policies (continued)

2.20 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

SYMETRICA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

2. Accounting policies (continued)

2.21 Financial instruments

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated Statement of Income and Retained Earnings.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

Research and development is capitalised if any underlying project is expected to generate future economic value. Capitalised development costs are amortised over their estimated useful economic life of 5 years which is the period over which economic benefit is expected to be derived. The directors are satisfied with the appropriateness of this amortisation policy.

Where applicable, share option charges have been calculated with reference to the Black Scholes pricing model. The directors consider the assumptions used in this calculation to be appropriate.

SYMETRICA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

4. Turnover

The whole of the turnover is attributable to the principal activity of the business.

Analysis of turnover by country of destination:

	2020 £	2019 £
United Kingdom	924,616	1,706,519
Rest of Europe	503,847	343,000
Rest of World	198,520	159,476
USA	2,818,956	4,205,524
	<u>4,445,939</u>	<u>6,414,519</u>

5. Other operating income

	2020 £	2019 £
Government grants receivable	117,191	107,314
	<u>117,191</u>	<u>107,314</u>

6. Operating loss

The operating loss is stated after charging:

	2020 £	2019 £
Exchange differences	198,897	(68,142)
Other operating lease rentals	405,815	212,680
	<u>405,815</u>	<u>212,680</u>

7. Auditors' remuneration

	2020 £	2019 £
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	55,279	53,000
	<u>55,279</u>	<u>53,000</u>

SYMETRICA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

8. Employees

Staff costs, including directors' remuneration, were as follows:

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Wages and salaries	3,735,000	3,418,599	-	-
Social security costs	265,999	371,874	-	-
Cost of defined contribution scheme	122,122	191,941	-	-
	<u>4,123,121</u>	<u>3,982,414</u>	<u>-</u>	<u>-</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2020 No.	2019 No.
Research and development	8	10
Engineering	28	22
Production	21	22
Sales	11	9
Admin and finance	9	5
	<u>77</u>	<u>68</u>

The Company has no employees other than the directors, who are paid via Symetrica Security Limited.

9. Directors' remuneration

	2020 £	2019 £
Directors' emoluments	404,325	435,000
Company contributions to defined contribution pension schemes	54,129	-
Amounts paid to third parties in respect of directors' services	45,000	109,000
	<u>503,454</u>	<u>544,000</u>

During the year retirement benefits were accruing to 2 directors (2019 - 2) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £193,325 (2019 - £226,250).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £14,499 (2019 - £10,524).

SYMETRICA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

10. Interest receivable

	2020 £	2019 £
Other interest receivable	-	326
	<u>-</u>	<u>326</u>
	<u><u>-</u></u>	<u><u>326</u></u>

11. Taxation

	2020 £	2019 £
Corporation tax		
Current tax on profits for the year	(836,458)	(462,208)
	<u>(836,458)</u>	<u>(462,208)</u>
	<u><u>(836,458)</u></u>	<u><u>(462,208)</u></u>
Total current tax	<u><u>(836,458)</u></u>	<u><u>(462,208)</u></u>
Deferred tax		
Origination and reversal of timing differences	(40,206)	-
	<u>(40,206)</u>	<u>-</u>
Total deferred tax	<u><u>(40,206)</u></u>	<u><u>-</u></u>
Taxation on loss on ordinary activities	<u><u>(876,664)</u></u>	<u><u>(462,208)</u></u>

SYMETRICA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

11. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2019 - lower than) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	2020 £	2019 £
Loss on ordinary activities before tax	<u>(3,995,256)</u>	<u>(2,055,418)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	(759,099)	(390,529)
Effects of:		
Non-tax deductible amortisation of goodwill and impairment	724,942	-
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	10,473	7,000
Capital allowances for year in excess of depreciation	(4,827)	-
Credit for federal and state taxes	(512,407)	-
Intercompany loan write offs	1,919	-
Adjustments to tax charge in respect of prior periods	230,375	-
Increase or decrease in pension fund prepayment leading to an increase (decrease) in tax	(5,569)	-
Adjustment in research and development tax credit leading to an increase (decrease) in the tax charge	(240,002)	(94,679)
Share option charge	21,470	-
Changes in provisions leading to an increase (decrease) in the tax charge	(5,220)	-
Trade intangible fixed assets debits on capital items	(183,938)	-
Unrelieved tax losses carried forward	425,300	-
Utilisation of losses re R&D rate 14.5% adjustment for losses surrendered	100,567	-
Other differences leading to an increase (decrease) in the tax charge	(640,442)	-
Adjustments to deferred tax	(40,206)	16,000
Total tax charge for the year	<u><u>(876,664)</u></u>	<u><u>(462,208)</u></u>

SYMETRICA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

12. Intangible assets

Group

	Development expenditure £
Cost	
At 1 October 2019	2,325,569
Additions - internal	1,299,291
Foreign exchange movement	(40,694)
At 30 September 2020	<u>3,584,166</u>
Amortisation	
At 1 October 2019	133,499
Charge for the year on owned assets	462,052
At 30 September 2020	<u>595,551</u>
Net book value	
At 30 September 2020	<u>2,988,615</u>
At 30 September 2019	<u>2,192,070</u>

Company

The Company has no intangible fixed assets.

SYMETRICA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

13. Tangible fixed assets

Group

	Leasehold property £	Plant and machinery £	Total £
Cost or valuation			
At 1 October 2019	207,075	519,259	726,334
Additions	27,327	41,455	68,782
Exchange adjustments	-	35,582	35,582
At 30 September 2020	<u>234,402</u>	<u>596,296</u>	<u>830,698</u>
Depreciation			
At 1 October 2019	160,485	417,321	577,806
Charge for the year on owned assets	51,549	71,555	123,104
At 30 September 2020	<u>212,034</u>	<u>488,876</u>	<u>700,910</u>
Net book value			
At 30 September 2020	<u>22,368</u>	<u>107,420</u>	<u>129,788</u>
At 30 September 2019	<u>46,590</u>	<u>101,938</u>	<u>148,528</u>

SYMETRICA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

14. Fixed asset investments

Company

	Investments in subsidiary companies £
Cost or valuation	
At 1 October 2019	125,000
Additions	2,140,310
At 30 September 2020	<u>2,265,310</u>
Impairment	
Charge for the period	2,027,310
At 30 September 2020	<u>2,027,310</u>
Net book value	
At 30 September 2020	<u>238,000</u>
At 30 September 2019	<u>125,000</u>

Included in additions during the year are £113,000 that relate to a capital contribution made in respect of share based payment charges relating to employees of subsidiary undertakings.

The remaining additions of £2,027,310 relate to the capitalisation of a loan to subsidiary undertakings which have then been fully impaired.

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
Symetrica Security Ltd	Roman House 39 Botley Road, North Baddesley, Southampton, England, SO52 9AE	Ordinary	100%
Symetrica Inc	4 Lyberty Way Ste 1, Westford, MA 01886, United States	Ordinary	100%

SYMETRICA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

15. Stocks

	Group 2020 £	<i>Group 2019 £</i>
Raw materials and consumables	1,410,663	575,193
Work in progress (goods to be sold)	53,210	314,779
	<u>1,463,873</u>	<u>889,972</u>

The difference between purchase price or production cost of stocks and their replacement cost is not material.

16. Debtors

	Group 2020 £	<i>Group 2019 £</i>
Trade debtors	611,329	1,012,885
Other debtors	97,863	262,805
Prepayments and accrued income	121,039	58,614
Tax recoverable	836,895	338,346
Deferred taxation	40,206	-
	<u>1,707,332</u>	<u>1,672,650</u>

SYMETRICA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

17. Creditors: Amounts falling due within one year

	Group 2020 £	Group 2019 £
Bank loans	2,500	-
Trade creditors	648,994	708,155
Other taxation and social security	70,118	108,929
Other creditors	570,861	49,862
Accruals and deferred income	218,726	556,434
	<u>1,511,199</u>	<u>1,423,380</u>

Included within Other creditors is a PPP loan for £162,153 (2019: £Nil).

On 24 April 2020, the Group issued an unsecured promissory note (the "PPP Loan") for \$453,740 through the Paycheck Protection Program ("PPP") established under the CARES Act, and administered by the U.S. Small Business Administration ("SBA"). The PPP Loan is guaranteed by the SBA. The PPP Loan may be forgiven, in whole or in part, if the Group was eligible for the PPP Loan at the time of application, used the loan proceeds for eligible expenses within the defined 8 or 24-week period after the PPP loan was disbursed ("Covered Period"), and otherwise satisfied PPP requirements. The PPP Loan was made through Bank of America (the "Lender"), has a two-year term, bears interest at 1.00% per annum, and matures on 24 October 2022. If the PPP Loan is not forgiven, monthly principal and interest payments are deferred until ten months after the end of the Covered Period. The PPP Loan may be prepaid at any time prior to maturity with no prepayment penalties. Accordingly, the Group has reflected the PPP Loan as short and long-term debt in the accompanying balance sheet.

With regards to the forgiveness of the PPP loan, please refer to note 26 regarding post balance sheet events.

SYMETRICA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

18. Creditors: Amounts falling due after more than one year

	Group 2020 £	Group 2019 £
Bank loans	47,500	-
Other creditors	191,635	-
	<u>239,135</u>	<u>-</u>

Other creditors is a PPP loan for £191,635 (2019: £Nil).

For details of the terms, please see note 17.

With regards to the forgiveness of the PPP loan, please refer to note 26 regarding post balance sheet events.

The aggregate amount of liabilities repayable wholly or in part more than five years after the balance sheet date is:

	Group 2020 £	Group 2019 £
Repayable by instalments	7,500	-
	<u>7,500</u>	<u>-</u>

The loan is repayable by monthly instalments and the interest is payable at a rate of 2.5%.

19. Loans

Analysis of the maturity of loans is given below:

	Group 2020 £	Group 2019 £
Amounts falling due within one year		
Bank loans	2,500	-
Amounts falling due 2-5 years		
Bank loans	40,000	-
Amounts falling due after more than 5 years		
Bank loans	7,500	-
	<u>50,000</u>	<u>-</u>

SYMETRICA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

20. Deferred taxation

Group

	2020 £
Credited to profit or loss	40,206
At end of year	40,206
	Group 2020 £
Tax losses carried forward	40,206
	40,206

21. Share capital

	2020 £	2019 £
Allotted, called up and fully paid		
216,214 (2019 - 209,823) Ordinary shares of £0.01 each	216	210
85,091 (2019 - 85,091) A Ordinary shares of £0.01 each	85	85
217,473 (2019 - 217,473) B Ordinary shares of £0.01 each	218	217
40 (2019 - 40) C Ordinary shares of £1.00 each	40	40
115,955 (2019 -) D Ordinary shares of £0.01 each	116	-
	675	552

SYMETRICA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

21. Share capital (continued)

On 20 March 2020, 2,495 Ordinary shares of £0.001 were issued at £20.04 a share.

On 20 May 2020, 2,396 Ordinary shares of £0.001 were issued at £20.04 a share.

On 19 June 2020, 1,500 Ordinary shares of £0.001 were issued at £20.04 a share.

On 30 June 2020, 14,285 D Ordinary shares of £0.001 were issued at £31.50 a share and 101,670 D Ordinary shares of £0.001 were issued at £35.00 a share.

Ordinary shares, A Ordinary shares, B Ordinary shares, C Ordinary shares and D Ordinary shares

For the above classes of shares, each has the right to attend and vote at all general meetings. Each share holds one voting right, with the exception of C Ordinary shares, which hold 1,000 votes each. Holders of the above shares have the right to receive pro rate distributions of dividends. The shares are not redeemable.

Liquidation rights

Upon liquidation, the return of assets on liquidation, reduction of capital or otherwise remaining after payment of its debts and liabilities and of the costs, charges and expenses of such liquidation, shall be applied in the following manner and order of priority:

(a) first, in paying the holders of A Ordinary shares the sum equal to all arrears on the A Ordinary shares;

(b) secondly, in paying to the holders of A Ordinary shares an amount equal to the aggregate subscription price;

(c) thirdly, in distributing the balance amongst the A Ordinary shareholders, the holders of B Ordinary shares, the holders of C Ordinary shares, the holders of D Ordinary shares and the Ordinary shareholders in proportion to the amounts paid up or credited as paid up.

22. Reserves

Share premium account

Share premium account includes all premiums payable on purchase of share capital.

Foreign exchange reserve

Foreign exchange reserve includes translation differences arising on the consolidation of a foreign subsidiary.

Share option reserve

Share option reserve includes the cumulative charge to date for share options issued.

Profit and loss account

Profit and loss account includes all current and prior period retained profits and losses.

SYMETRICA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

23. Share based payments

The Company operates a share option scheme, with UK employees benefiting from grant under EMI rules. At the year end a total of £43,050 (2019: £43,050) options remained in issue with expiry dates ranging from 2020 to 2027.

	Weighted average exercise price (pence) 2020	Number 2020	<i>Weighted average exercise price (pence) 2019</i>	<i>Number 2019</i>
Outstanding at the beginning of the year	4,364	43,050	4,364	38,050
Granted during the year		-	0.001	5,000
Outstanding at the end of the year	4,364	43,050	4,364	43,050

	2020 Black Scholes	<i>2019 Black Scholes</i>
Option pricing model used		
Weighted average share price (pence)	46	46
Exercise price (pence)	0.001	0.001
Weighted average contractual life (days)	10	10
Expected volatility	45%	45%
Risk-free interest rate	0.8%	0.8%

	2020 £	<i>2019 £</i>
Equity-settled schemes	113,000	75,000
	113,000	<i>75,000</i>

24. Pension commitments

The Group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £151,002 (2019 - £148,797). Contributions totalling £nil (2019 - £10,260) were payable to the fund at the reporting date and are included in creditors.

SYMETRICA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

25. Commitments under operating leases

At 30 September 2020 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2020	<i>Group 2019</i>
	£	£
Land and property		
Not later than 1 year	340,709	<i>259,000</i>
Later than 1 year and not later than 5 years	912,910	<i>750,000</i>
Later than 5 years	182,274	<i>398,000</i>
	<u>1,435,893</u>	<u><i>1,407,000</i></u>

26. Post balance sheet events

PPP Loan

Subsequent to year end, the Group was informed that its application for forgiveness of \$456,740 of the PPP Loan was approved. Accordingly, the Group will record it as forgiveness of debt during the year ended 30 September 2021.

27. Controlling party

There is no ultimate controlling party.